

114TH CONGRESS  
2D SESSION

# H. R. 5251

To amend the Internal Revenue Code of 1986 to provide a tax credit for property owners who remove hazards relating to lead, asbestos, and radon.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2016

Ms. ESTY (for herself and Ms. DELAUBRO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide a tax credit for property owners who remove hazards relating to lead, asbestos, and radon.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Healthy Homes Tax  
5       Credit Act”.

6       **SEC. 2. TAX CREDITS FOR REDUCTION OF LEAD, RADON,**  
7                   **AND ASBESTOS HAZARDS IN HOMES.**

8       (a) IN GENERAL.—Subpart B of part IV of sub-  
9       chapter A of chapter 1 of the Internal Revenue Code of

1 1986 is amended by adding at the end the following new  
2 sections:

3 **“SEC. 30E. HOME LEAD HAZARD REDUCTION ACTIVITY.**

4       “(a) ALLOWANCE OF CREDIT.—There shall be al-  
5 lowed as a credit against the tax imposed by this chapter  
6 for the taxable year an amount equal to 50 percent of the  
7 lead hazard reduction activity cost paid or incurred by the  
8 taxpayer during the taxable year for each eligible dwelling  
9 unit.

10       “(b) LIMITATION.—The amount of the credit allowed  
11 under subsection (a) for any eligible dwelling unit for any  
12 taxable year shall not exceed—

13           “(1) \$5,000, reduced by

14           “(2) the aggregate lead hazard reduction activ-  
15 ity cost taken into account under subsection (a) with  
16 respect to such unit for all preceding taxable years.

17       “(c) DEFINITIONS.—For purposes of this section:

18           “(1) CERTIFIED LEAD ABATEMENT SUPER-  
19 VISOR.—The term ‘certified lead abatement super-  
20 visor’ means an individual certified by the Environ-  
21 mental Protection Agency pursuant to section  
22 745.226 of title 40, Code of Federal Regulations, or  
23 an appropriate State agency pursuant to section  
24 745.325 of title 40, Code of Federal Regulations.

1           “(2) CERTIFIED INSPECTOR.—The term ‘cer-  
2 tified inspector’ means an inspector certified by the  
3 Environmental Protection Agency pursuant to sec-  
4 tion 745.226 of title 40, Code of Federal Regula-  
5 tions, or an appropriate State agency pursuant to  
6 section 745.325 of title 40, Code of Federal Regula-  
7 tions.

8           “(3) CERTIFIED RISK ASSESSOR.—The term  
9 ‘certified risk assessor’ means a risk assessor cer-  
10 tified by the Environmental Protection Agency pur-  
11 suant to section 745.226 of title 40, Code of Federal  
12 Regulations, or an appropriate State agency pursu-  
13 ant to section 745.325 of title 40, Code of Federal  
14 Regulations.

15           “(4) ELIGIBLE DWELLING UNIT.—

16           “(A) IN GENERAL.—The term ‘eligible  
17 dwelling unit’ means, with respect to any tax-  
18 able year, any dwelling unit which is placed in  
19 service before 1950 and located in the United  
20 States.

21           “(B) DWELLING UNIT.—The term ‘dwell-  
22 ing unit’ has the meaning given such term by  
23 section 280A(f)(1).

24           “(5) LEAD HAZARD REDUCTION ACTIVITY  
25 COST.—

1                 “(A) IN GENERAL.—The term ‘lead hazard  
2                 reduction activity cost’ means, with respect to  
3                 any eligible dwelling unit—

4                         “(i) the cost for a certified risk asses-  
5                 sor to conduct an assessment to determine  
6                 the presence of lead pipes or a lead-based  
7                 paint hazard,

8                         “(ii) the cost for performing lead  
9                 abatement measures by a certified lead  
10                 abatement supervisor, including the re-  
11                 moval of lead pipes, the removal of paint  
12                 and dust, the permanent enclosure or en-  
13                 capsulation of lead-based paint, the re-  
14                 placement of painted surfaces, windows, or  
15                 fixtures, or the removal or permanent cov-  
16                 ering of soil when lead-based paint hazards  
17                 are present in such paint, dust, or soil,

18                         “(iii) the cost for a certified lead  
19                 abatement supervisor, those working under  
20                 the supervision of such supervisor, or a  
21                 qualified contractor to perform all prepara-  
22                 tion, cleanup, disposal, and clearance test-  
23                 ing activities associated with the lead  
24                 abatement measures, and

1                         “(iv) costs incurred by or on behalf of  
2                         any occupant of such dwelling unit for any  
3                         relocation which is necessary to achieve oc-  
4                         cupant protection (as defined under section  
5                         35.1345 of title 24, Code of Federal Regu-  
6                         lations).

7                         “(B) LIMITATION.—The term ‘lead hazard  
8                         reduction activity cost’ does not include any  
9                         cost to the extent such cost is funded by any  
10                         grant, contract, or otherwise by another person  
11                         or any governmental agency.

12                         “(6) LEAD-BASED PAINT HAZARD.—The term  
13                         ‘lead-based paint hazard’ has the meaning given  
14                         such term by section 745.63 of title 40, Code of  
15                         Federal Regulations.

16                         “(7) QUALIFIED CONTRACTOR.—The term  
17                         ‘qualified contractor’ means a Lead-Safe Certified  
18                         Firm or certified renovator under the Lead Renova-  
19                         tion, Repair and Painting Program of the Environ-  
20                         mental Protection Agency.

21                         “(d) SPECIAL RULES.—

22                         “(1) DOCUMENTATION REQUIRED FOR CREDIT  
23                         ALLOWANCE.—No credit shall be allowed under sub-  
24                         section (a) with respect to any eligible dwelling unit  
25                         for any taxable year unless—

1                 “(A) after lead hazard reduction activity is  
2                 complete, a certified inspector or certified risk  
3                 assessor provides written documentation to the  
4                 taxpayer that includes—

5                     “(i) evidence that the eligible dwelling  
6                 unit meets lead hazard evaluation criteria  
7                 established by the Environmental Protec-  
8                 tion Agency or under an authorized State  
9                 or local program, and

10                  “(ii) documentation showing that the  
11                 lead hazard reduction activity meets the  
12                 requirements of this section, and

13                  “(B) the taxpayer files with the appro-  
14                 priate State agency and attaches to the tax re-  
15                 turn for the taxable year—

16                     “(i) the documentation described in  
17                 subparagraph (A),

18                     “(ii) documentation of the lead hazard  
19                 reduction activity costs paid or incurred  
20                 during the taxable year with respect to the  
21                 eligible dwelling unit, and

22                     “(iii) a statement certifying that the  
23                 dwelling unit qualifies as an eligible dwell-  
24                 ing unit for such taxable year.

1           “(2) BASIS REDUCTION.—The basis of any  
2       property for which a credit is allowable under sub-  
3       section (a) shall be reduced by the amount of such  
4       credit (determined without regard to subsection (e)).

5           “(3) NO DOUBLE BENEFIT.—Any deduction al-  
6       lowable for costs taken into account in computing  
7       the amount of the credit for lead-based paint abate-  
8       ment shall be reduced by the amount of such credit  
9       attributable to such costs.

10          “(e) LIMITATION BASED ON AMOUNT OF TAX.—The  
11       credit allowed under subsection (a) for the taxable year  
12       shall not exceed the excess of—

13           “(1) the sum of the regular tax liability (as de-  
14       fined in section 26(b)) plus the tax imposed by sec-  
15       tion 55, over

16           “(2) the sum of the credits allowable under sub-  
17       part A and sections 27, 29, 30, 30A, 30B, 30C, and  
18       30D for the taxable year.

19          “(f) CARRYFORWARD ALLOWED.—

20           “(1) IN GENERAL.—If the credit amount allow-  
21       able under subsection (a) for a taxable year exceeds  
22       the amount of the limitation under subsection (e) for  
23       such taxable year (referred to as the ‘unused credit  
24       year’ in this subsection), such excess shall be allowed

1       as a credit carryforward for each of the 20 taxable  
2       years following the unused credit year.

3           “(2) RULES.—Rules similar to the rules of sec-  
4       tion 39 shall apply with respect to the credit  
5       carryforward under paragraph (1).

6   **“SEC. 30F. HOME RADON HAZARD REDUCTION ACTIVITY.**

7           “(a) ALLOWANCE OF CREDIT.—There shall be al-  
8       lowed as a credit against the tax imposed by this chapter  
9       for the taxable year an amount equal to 50 percent of the  
10      radon hazard reduction activity cost paid or incurred by  
11      the taxpayer during the taxable year for each eligible  
12      dwelling unit.

13           “(b) LIMITATION.—The amount of the credit allowed  
14       under subsection (a) for any eligible dwelling unit for any  
15       taxable year shall not exceed—

16           “(1) \$5,000, reduced by

17           “(2) the aggregate radon hazard reduction ac-  
18       tivity cost taken into account under subsection (a)  
19       with respect to such unit for all preceding taxable  
20       years.

21           “(c) DEFINITIONS.—For purposes of this section:

22           “(1) ELIGIBLE DWELLING UNIT.—

23           “(A) IN GENERAL.—The term ‘eligible  
24       dwelling unit’ means, with respect to any tax-

1           able year, any dwelling unit located in the  
2           United States.

3           “(B) DWELLING UNIT.—The term ‘dwelling  
4           unit’ has the meaning given such term by  
5           section 280A(f)(1).

6           “(2) QUALIFIED RADON MEASUREMENT PRO-  
7           FESSIONAL.—The term ‘qualified radon measure-  
8           ment professional’ means an individual who has  
9           demonstrated the minimum degree of appropriate  
10          technical knowledge and skills specific to radon  
11          measurement in conformance with the requirements  
12          of—

13           “(A) a certification standard promulgated  
14          by the American National Standards Institute  
15          or International Organization for Standardiza-  
16          tion,

17           “(B) a State, local or other governmental  
18          licensing (or equivalent) program, or

19           “(C) any other recognized or accredited  
20          certification process as determined by the Sec-  
21          retary.

22           “(3) QUALIFIED RADON MITIGATION PROFES-  
23           SIONAL.—The term ‘qualified radon mitigation pro-  
24           fessional’ means an individual who has demonstrated  
25           the minimum degree of appropriate technical knowl-

1 edge and skills specific to radon mitigation in con-  
2 formance with the requirements of—

3 “(A) a certification standard promulgated  
4 by the American National Standards Institute  
5 or International Organization for Standardiza-  
6 tion,

7 “(B) a State, local or other governmental  
8 licensing (or equivalent) program, or

9 “(C) any other recognized or accredited  
10 certification process as determined by the Sec-  
11 retary.

12 “(4) RADON.—The term ‘radon’ has the mean-  
13 ing given the term in section 302 of the Toxic Sub-  
14 stances Control Act (15 U.S.C. 2662).

15 “(5) RADON HAZARD REDUCTION ACTIVITY  
16 COST.—

17 “(A) IN GENERAL.—The term ‘radon haz-  
18 ard reduction activity cost’ means, with respect  
19 to any eligible dwelling unit—

20 “(i) the cost for a qualified radon  
21 measurement professional to conduct an  
22 assessment to determine the indoor radon  
23 level of the dwelling unit, and

24 “(ii) if the indoor radon level of the  
25 dwelling unit is not less than 2 picocuries

1           per liter of air, as determined by a qual-  
2           ified radon measurement professional, the  
3           cost for performing radon abatement meas-  
4           ures by a qualified radon mitigation pro-  
5           fessional.

6           “(B) LIMITATION.—The term ‘radon haz-  
7           ard reduction activity cost’ does not include any  
8           cost to the extent such cost is funded by any  
9           grant, contract, or otherwise by another person  
10          or any governmental agency.

11         “(d) SPECIAL RULES.—

12           “(1) DOCUMENTATION REQUIRED FOR CREDIT  
13          ALLOWANCE.—No credit shall be allowed under sub-  
14          section (a) with respect to any eligible dwelling unit  
15          for any taxable year unless—

16           “(A) after radon hazard reduction activity  
17          is complete, a qualified radon measurement pro-  
18          fessional provides written documentation to the  
19          taxpayer that includes—

20           “(i) evidence that the eligible dwelling  
21          unit meets radon hazard evaluation criteria  
22          established under an authorized State or  
23          local program, and

1                     “(ii) documentation showing that the  
2                     radon hazard reduction activity meets the  
3                     requirements of this section, and

4                     “(B) the taxpayer files with the appro-  
5                     priate State agency and attaches to the tax re-  
6                     turn for the taxable year—

7                     “(i) the documentation described in  
8                     subparagraph (A),

9                     “(ii) documentation of the radon haz-  
10                     ard reduction activity costs paid or in-  
11                     curred during the taxable year with respect  
12                     to the eligible dwelling unit, and

13                     “(iii) a statement certifying that the  
14                     dwelling unit qualifies as an eligible dwell-  
15                     ing unit for such taxable year.

16                     “(2) BASIS REDUCTION.—The basis of any  
17                     property for which a credit is allowable under sub-  
18                     section (a) shall be reduced by the amount of such  
19                     credit (determined without regard to subsection (e)).

20                     “(3) NO DOUBLE BENEFIT.—Any deduction al-  
21                     lowable for costs taken into account in computing  
22                     the amount of the credit for radon abatement shall  
23                     be reduced by the amount of such credit attributable  
24                     to such costs.

1       “(e) LIMITATION BASED ON AMOUNT OF TAX.—The  
2 credit allowed under subsection (a) for the taxable year  
3 shall not exceed the excess of—

4           “(1) the sum of the regular tax liability (as de-  
5 fined in section 26(b)) plus the tax imposed by sec-  
6 tion 55, over

7           “(2) the sum of the credits allowable under sub-  
8 part A and sections 27, 29, 30, 30A, 30B, 30C, and  
9 30D for the taxable year.

10     “(f) CARRYFORWARD ALLOWED.—

11       “(1) IN GENERAL.—If the credit amount allow-  
12 able under subsection (a) for a taxable year exceeds  
13 the amount of the limitation under subsection (e) for  
14 such taxable year (referred to as the ‘unused credit  
15 year’ in this subsection), such excess shall be allowed  
16 as a credit carryforward for each of the 20 taxable  
17 years following the unused credit year.

18       “(2) RULES.—Rules similar to the rules of sec-  
19 tion 39 shall apply with respect to the credit  
20 carryforward under paragraph (1).

21   **“SEC. 30G. HOME ASBESTOS HAZARD REDUCTION ACTIV-  
22 ITY.**

23       “(a) ALLOWANCE OF CREDIT.—There shall be al-  
24 lowed as a credit against the tax imposed by this chapter  
25 for the taxable year an amount equal to 50 percent of the

1 asbestos hazard reduction activity cost paid or incurred  
2 by the taxpayer during the taxable year for each eligible  
3 dwelling unit.

4       “(b) LIMITATION.—The amount of the credit allowed  
5 under subsection (a) for any eligible dwelling unit for any  
6 taxable year shall not exceed—

7           “(1) either—

8              “(A) \$5,000 in the case of asbestos hazard  
9 reduction activity cost including asbestos abate-  
10 ment measures described in clauses (i), (ii),  
11 (iv), and (v) of subsection (c)(3)(A), or

12              “(B) \$1,000 in the case of asbestos hazard  
13 reduction activity cost including interim asbes-  
14 tos control measures described in clauses (i),  
15 (iii), (iv), and (v) of subsection (c)(3)(A), re-  
16 duced by

17           “(2) the aggregate asbestos hazard reduction  
18 activity cost taken into account under subsection (a)  
19 with respect to such unit for all preceding taxable  
20 years.

21       “(c) DEFINITIONS.—For purposes of this section:

22           “(1) ACCREDITED ASBESTOS ABATEMENT CON-  
23 TRACTOR OR SUPERVISOR.—The term ‘accredited as-  
24 bestos abatement contractor or supervisor’ means  
25 any person accredited as a contractor or supervisor

1       under the Asbestos Model Accreditation Plan of the  
2       Environmental Protection Agency.

3           “(2) ACCREDITED ASBESTOS INSPECTOR.—The  
4       term ‘accredited asbestos inspector’ means any per-  
5       son accredited as an inspector under the Asbestos  
6       Model Accreditation Plan of the Environmental Pro-  
7       tection Agency.

8           “(3) ASBESTOS.—The term ‘asbestos’ has the  
9       meaning given the term in section 202 of the Toxic  
10      Substances Control Act (15 U.S.C. 2642).

11          “(4) ASBESTOS HAZARD.—The term ‘asbestos  
12       hazard’ has the meaning given the term ‘imminent  
13       hazard to the health and safety’ in section 11 of the  
14       Asbestos School Hazard Detection and Control Act  
15       of 1980 (20 U.S.C. 3610).

16          “(5) ASBESTOS HAZARD REDUCTION ACTIVITY  
17       COST.—

18           “(A) IN GENERAL.—The term ‘asbestos  
19       hazard reduction activity cost’ means, with re-  
20       spect to any eligible dwelling unit—

21                  “(i) the cost for an accredited asbes-  
22       tos inspector to conduct an assessment to  
23       determine the presence of an asbestos haz-  
24       ard,

1                 “(ii) the cost for performing asbestos  
2                 abatement measures by an accredited as-  
3                 bestos abatement contractor or supervisor,

4                 “(iii) the cost for performing interim  
5                 asbestos control measures to reduce expo-  
6                 sure or likely exposure to asbestos hazards,  
7                 but only if such measures are evaluated  
8                 and completed by an accredited asbestos  
9                 abatement contractor or supervisor using  
10                 accepted methods, are conducted by an ac-  
11                 credited asbestos abatement contractor or  
12                 supervisor, and have an expected useful life  
13                 of more than 10 years,

14                 “(iv) the cost for an accredited asbes-  
15                 tos abatement supervisor, those working  
16                 under the supervision of such supervisor,  
17                 or an accredited asbestos abatement con-  
18                 tractor or supervisor to perform all prepa-  
19                 ration, cleanup, disposal, and clearance  
20                 testing activities associated with the asbes-  
21                 tos abatement measures or interim asbes-  
22                 tos control measures, and

23                 “(v) costs incurred by or on behalf of  
24                 any occupant of such dwelling unit for any  
25                 relocation which is necessary to achieve oc-

1                   cupant protection (as determined by the  
2                   Administrator of the Environmental Pro-  
3                   tection Agency).

4                   “(B) LIMITATION.—The term ‘asbestos  
5                   hazard reduction activity cost’ does not include  
6                   any cost to the extent such cost is funded by  
7                   any grant, contract, or otherwise by another  
8                   person or any governmental agency.

9                   “(6) ELIGIBLE DWELLING UNIT.—

10                  “(A) IN GENERAL.—The term ‘eligible  
11                  dwelling unit’ means, with respect to any tax-  
12                  able year, any dwelling unit located in the  
13                  United States.

14                  “(B) DWELLING UNIT.—The term ‘dwell-  
15                  ing unit’ has the meaning given such term by  
16                  section 280A(f)(1).

17                  “(d) SPECIAL RULES.—

18                  “(1) DOCUMENTATION REQUIRED FOR CREDIT  
19                  ALLOWANCE.—No credit shall be allowed under sub-  
20                  section (a) with respect to any eligible dwelling unit  
21                  for any taxable year unless—

22                  “(A) after asbestos hazard reduction activ-  
23                  ity is complete, an accredited asbestos inspector  
24                  provides written documentation to the taxpayer  
25                  that includes—

1                 “(i) evidence that the eligible dwelling  
2                 unit meets asbestos hazard evaluation cri-  
3                 teria established under an authorized State  
4                 or local program, and

5                 “(ii) documentation showing that the  
6                 asbestos hazard reduction activity meets  
7                 the requirements of this section, and

8                 “(B) the taxpayer files with the appro-  
9                 priate State agency and attaches to the tax re-  
10                 turn for the taxable year—

11                 “(i) the documentation described in  
12                 subparagraph (A),

13                 “(ii) documentation of the asbestos  
14                 hazard reduction activity costs paid or in-  
15                 curred during the taxable year with respect  
16                 to the eligible dwelling unit, and

17                 “(iii) a statement certifying that the  
18                 dwelling unit qualifies as an eligible dwell-  
19                 ing unit for such taxable year.

20                 “(2) BASIS REDUCTION.—The basis of any  
21                 property for which a credit is allowable under sub-  
22                 section (a) shall be reduced by the amount of such  
23                 credit (determined without regard to subsection (e)).

24                 “(3) NO DOUBLE BENEFIT.—Any deduction al-  
25                 lowable for costs taken into account in computing

1       the amount of the credit for asbestos abatement  
2       shall be reduced by the amount of such credit attrib-  
3       utable to such costs.

4       “(e) LIMITATION BASED ON AMOUNT OF TAX.—The  
5       credit allowed under subsection (a) for the taxable year  
6       shall not exceed the excess of—

7               “(1) the sum of the regular tax liability (as de-  
8       fined in section 26(b)) plus the tax imposed by sec-  
9       tion 55, over

10              “(2) the sum of the credits allowable under sub-  
11       part A and sections 27, 29, 30, 30A, 30B, 30C, and  
12       30D for the taxable year.

13       “(f) CARRYFORWARD ALLOWED.—

14              “(1) IN GENERAL.—If the credit amount allow-  
15       able under subsection (a) for a taxable year exceeds  
16       the amount of the limitation under subsection (e) for  
17       such taxable year (referred to as the ‘unused credit  
18       year’ in this subsection), such excess shall be allowed  
19       as a credit carryforward for each of the 20 taxable  
20       years following the unused credit year.

21              “(2) RULES.—Rules similar to the rules of sec-  
22       tion 39 shall apply with respect to the credit  
23       carryforward under paragraph (1).”.

24       (b) TECHNICAL AMENDMENTS.—

1               (1) Section 1016(a) of the Internal Revenue  
2       Code of 1986 is amended—

3                           (A) in paragraph (36), by striking “and”  
4                           at the end,

5                           (B) in paragraph (37), by striking the pe-  
6       riod at the end and inserting a comma, and

7                           (C) by adding at the end the following new  
8       paragraphs:

9                       “(38) in the case of an eligible dwelling unit  
10      with respect to which a credit for any lead hazard  
11      reduction activity cost was allowed under section  
12      30E, to the extent provided in section 30E(d)(2),

13               “(39) in the case of an eligible dwelling unit  
14      with respect to which a credit for any radon hazard  
15      reduction activity cost was allowed under section  
16      30F, to the extent provided in section 30F(d)(2),  
17      and

18               “(40) in the case of an eligible dwelling unit  
19      with respect to which a credit for any asbestos haz-  
20      ard reduction activity cost was allowed under section  
21      30G, to the extent provided in section 30G(d)(2)”.

22               (2) The table of sections for subpart B of part  
23      IV of subchapter A of chapter 1 of such Code is  
24      amended by inserting after the item relating to sec-  
25      tion 30D the following new items:

“Sec. 30E. Home lead hazard reduction activity.

“See. 30F. Home radon hazard reduction activity.

“Sec. 30G. Home asbestos hazard reduction activity.”.

- 1       (c) EFFECTIVE DATE.—The amendments made by
- 2 this section shall apply to costs incurred after December
- 3 31, 2015, in taxable years ending after that date.

